

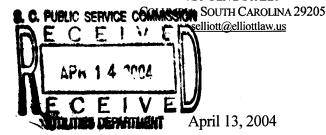
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ACCEPTED

VIA HAND DELIVERY

The Honorable Bruce F. Duke **Executive Director** Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

RE:

Revision by United Telephone Company of the Carolinas to its Access Tairff and request for Universal Service Funding pursuant to Commission Order No. 2001-419-C in Docket No. 97-239-C

Dear Mr. Duke:

Enclosed are the original and 15 copies of a tariff filing on behalf of United Telephone Company of the Carolinas ("Sprint") to reduce certain access rates in order to remove a portion of the implicit support for universal service. This filing is being made pursuant to Commission Order No. 2001-419-C in Docket No. 97-239-C. As permitted in that Order, Sprint is requesting explicit funding from the South Carolina Universal Service Fund ("USF") in an amount equal to the reduction in Carrier Common Line ("CCL") revenues and switched access revenues that result from the proposed rate reduction. Sprint seeks to increase funding from the South Carolina USF in the amount of \$1,186,967. The Revenue Impact statements that support this requested increase are attached as Exhibit A. Please note that Exhibit A is being filed under seal as it contains confidential and proprietary information, and Sprint is providing redacted versions to the parties of record to this docket. In addition, Sprint's requested increase from the USF combined with its current draw do not exceed the thirty-three percent (33%) cap on USF funding.

Sprint has also enclosed demonstration that implicit support is contained within the switched access rates Sprint is proposing to reduce. This demonstration complies with the requirements set forth in Commission Order No. 2001-419, which state that local exchange carriers seeking USF funding must "file detailed cost data clearly demonstrating that implicit support exists in the proposed reduction." Sprint's confidential and proprietary Cost Study is being filed under seal under a separate cover as Exhibit B. Also, it should be noted that Sprint's Cost Study was prepared for Local Switching costs and not as support for costs associated with CCL. CCL is a usage based revenue that recovers the fixed cost of an access line. The FCC corrected this inconsistency by moving this cost recovery from Interstate CCL to a Subscriber Line Charge (SLC). Sprint is seeking the same Mr. Duke April 13, 2004 Page 2

treatment for intrastate CCL by removing this usage based revenue in favor of per line recovery through the South Carolina USF fund, thus there is no need for a CCL cost study.

The USF administrative guidelines approved by the Commission specify that ordinarily requests to implement additional USF funding should be filed by April 1st for implementation by October 1st. This provides a six-month interval for review and approval by the Commission. The Commission has granted a fifteen (15) day extension of time to Sprint in which Sprint is to file its 2004 USF request. Despite this fifteen (15) day extension, Sprint respectfully requests that the Commission complete its review and render its decision within the usual six-month interval to allow implementation by October 1, 2004 (which is the effective date set forth in Sprint's proposed tariff).

Please note that Sprint is requesting that both Exhibit A and Exhibit B be given confidential treatment by the Commission, and that the appropriate order be issued to ensure such protection. If you have any questions, please call Cheryl Sweitzer at (919) 554-7135.

Sincerely yours,

Scott Elliott

SE/jcl

Enclosure

cc:

H. Edward Phillips, Esquire

Cheryl Sweitzer

Parties of Record w/enclosure

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the Revision by United Telephone Company of the Carolinas to its Access Tariff and request for Universal Service Funding pursuant to Commission Order No. 2001-419-C in Docket No. 97-239-C (Exhibit A) on all below listed parties by depositing a copy thereof properly addressed in the United States Mail, first-class postage prepaid.

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This 13th day of April, 2004.

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